LOK SABHA

Wednesday, December, 18 1991/Agrahayana 27,1913 (Saka)

The Lok Sabha met at Eleven of the Clock

[MR. SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

[*English*]

Manufacture of Commercial Vehicles

*386. SHRI PRABHU DYAL KATHERIA:
DR. RAMESH CHAND TOMAR:

Will the PRIME MINISTER be pleased to state:

(a)the names of the companies which are manufacturing commercial vehicles in the country;

(b) the annual production of each such company;

(c) whether the demand for commercial vehicles is decreasing year after year;

(d) if so, the reasons therefor;

(e) whether there is demand for Indian commercial vehicles in foreign countries; and

(f) so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (PROF.P.J. KURIEN): (a) to (f) A statement is laid on the Table of the House.

STATEMENT

(a) and (b).The names of the major manufacturers of commercial vehicles and their production during the last three years is as under:

		1988-89	*1989-90*	*1990-91*
i)	M/s. TELCO	61258	64963	81931
ii)	M/s. Ashok Leyland	18909	22689	24968
iii)	M/s. Hindustan Motors	1678	1644	1296
iv)	M/s. Bajaj Tempo	14667	16871	16325
v)	M/s. DCM Toyota	3348	3619	4312

		1988-89	*1989-90*	*1990-91*
vi)	M/s. Eicher Motors	4271	4427	4829
vii)	M/s. Swaraj Mazda	3215	3371	3750
viii)	M/s. Mahindra Nissan	2352	2533	3952
ix)	M/s. Mahindra & Mahindra	4901	4950	3193

(c) and (d). The sales of commercial vehicles during the last three years (given below) indicate a rising trend:

1988-89	117413
1989-90	124444
1990-91	141782

(e) and (f). Commercial vehicles are being exported to various parts of the world. The export of commercial vehicles have been 5052 during 1989-90 and 5759 during 1990-91 and t is expected to go up further during 1991-92.

[*Translation*]

SHRI PRABHU DAYAL KATHERIA: Mr. Speaker, Sir. I would like to know through you from the Government that how many commercial vehicles have been exported to foreign countries and what are the names of those countries.

[*English*]

PROF. P.J. KURIEN: Sir, we are exporting buses and trucks to USSR, UAE, China, Bangladesh, Kuwait and Sri Lanka. Trucks have been exported specially to Sri Lanka, Nepal, Kenya. UAE and Bangladesh. The export is on the increase. This year's export figure has already been given in the answer to the hon. Member's question. We are expecting an increase in the exports. We are expecting to export in future 10, 000 and odd vehicles. But we are projecting the requirements of the Eighth Plan. Since, the Eighth Plan requirements have not been finally consolidated, I am not able to give the exact figures regarding our future projected plan for exports.

[*Translation*]

SHRI PRABHU DAYAL KATHERIA: Mr. speaker Sir, I would to know the names of the countries who have asked for commercial vehicles from the Government during the year 1991-92 and what is the difference between the cost of the commercial vehicles made in India and those which are of foreign make?

[*English*]

PEOF. P.J. KURIEN: Sir, this question should be addressed to the Commerce Ministry. The thrust of this question here is decrease in demand of the commercial vehicles. The hon. Member should ask a separate question to the Commerce Minister.

[*Translation*]

DR. RAMESH CHAND TOMAR: Mr. Speaker Sir, would the hon. Minister be pleased to state the percentage of total demand of Indian made vehicles which is met through exports in foreign countries and the steps the Government is taking to increase its numbers so that we may get more foreign exchange and the demand of our commercial vehicles may increase.

[*English*]

PROF. P.J. KURIEN: Sir I have already stated in my answer that in 1989-90, our

export was 5502 commercial vehicles and in 1991, it is 5759 commercial vehicles.

Sir, the export promotion programmes as such are taken up by Ministry of Commerce. However, our Industry Ministry is trying to improve the quality of the motor vehicles which are manufactured by us in order to see that they are competitive in the international market. We also allow import of raw materials for export oriented cars. We allow, import f raw materials on concessional rates.

Further, researches are going on for fuel efficient complaints for manufacture of cars. All these things are aimed at improving the quality of our products so that they match the international standards;

Export promotion measures as such should be undertaken by the Ministry of Commerce.

SHRI ANBARASU ERA: Sir, I have a reliable information that a Coimbatore based Private limited Company had applied for licence to produce small care fitted with diesel engines by fixing lower price compared to the Maruti cars but the government have refused to give\ them the licence. Is it a fact? If not, will the Government give them the licence to produce small cars fitted with diesel engines by fixing a lower price compared to the Maruti cars?

PROF P.J. KURIEN: Sir, it is true that a Coimbatore based firm has submitted an application earlier for licence to produce diesel engine cars which are cheaper also according to the manufacturer though that application was rejected earlier but they have again submitted a representation which is under examination in the Ministry.

SHRI NIRMAL KANTI CHATTERJEEI: From out of these commercial vehicles there are companies which manufacture only LMVs, Light Motor Vehicles. Apart from Telco all these are with Japanese collabaration, that is those who manufacture light Motors vehicles, that is, Eicher Motors, Swaraj light Motors vehicles, DCM Toyota, etc. The hon. Minister has given the export figures in terms of cars, in terms of numbers. The question that I want to be answered is how much outflow of foreign exchange has taken place because of these imports, in order to manufacture these car, at all stages of imports, including the import of parts. And how much foreign exchange has been lost, whether there is net outgo of foreign exchange or not, I want the figures.

PROF. P.J. KURIEN: All these cars, light Motors vehicles which have been having foreign collaberation have also been exported. For the information of the hon. Members I can give the number of cars exported.

SHRI NIRMAL KANTI CHATTERJEE: What is the out go of foreign exchange?

PROF.P.J. KURIEN: There is a not earing of foreign exchange in this. There is a net gain of foreign exchange.

SHRI NIRMAL KANTI CHATTERJEE: What is the figure?

PROF P.J. KURIEN: For figures, I need a separate notice.

MR. SPEAKER: You are right. Mr. Petal.

SHRI NRMAL KANTI CHATTERJEE: Out go of foreign exchange.

MR. SPEAKER: This question does not concern outflow of foreign exchange.

SHRI SHRAVAN KUMAR PATEL: I would like to know from the Government whether it is a fact that some of the Government vehicles factories including one at Jabalpur have enormous capacity and can very well manufacture commercial vehicles with slight modification and upgradation of technologiy I would like to know whether the Government plans to utilise this capacity to augment the capacity to augment the production of commercial vehicles.

PROF. P.J. KURIEN: For manufacture of commercial vehicles today licence is not needed after the new industrial policy. Already we have a certain installed capacity and which has been almost not fully utilised. Therefore, we do not think that there is any need for any additional capacity for manufacturing light commercial vehicles.

[*Translation*]

SHRI GEORGE FERNANDES: Mr. Speaker, Sir, I would like to know from the hon. Minister whether it is not true that the production in both areas i.e. the production of light commercial vehicles and medium and heavy commercial vehicles has decreased during this year from April to October. The production of medium and heavy commercial vehicles rose by 26.4 per cent during the same period last year, whereas this year it has gone up by 8.2 per cent only. Last year, whereas there was an increase of 24.4 per cent in commercial vehicles, this year it has increased by 2.9 per cent only during the corresponding period. I request the hon. Minister to present the figures, at least the figures of this year, since I have the documents in which these are published by a private agency named Centre for Monitoring Indian Economy wherein it has been stated that:

In the case of light commercial vehicles, their sales during the period from April to October 1991 were lower compared to those in the comparable period of 1990 in respect of Bajaj Tempo DCM Toyota, Eicher Motors, Mahindra Nissan, Mahindra, Swaraj Mazda. While the sales of Ashok Leyland during the period under review remained stagnant, excepting Telco, no other company has been able to sell these vehicles at the same rate as it did last year.

[*Translation*]

I would like to know whether you have the latest data ? If so, why are you not informing the House about it?

[*English*]

PROF. P.J. KURIEN: Yes. There is certainly a decline in the rate of growth of production. But I would like to inform the hon. Member that compared to last year with regard to commercial vehicles there is a growth. The number of commercial vehicles produced has increased. There is a certain growth. (*Interruptions*) I will explain. Please listen There is a growth. But there is a decline in the rate of growth. I will give the number...(*Interruptions*)

MR. SPEAKER: Let us distinguish between growth and rate of growth. These two things are different.

PROF. P.J. KURIEN: If you allow me, I will explain it. Let me first give the figures...(*Interruptions*) In the year 1991, the rate of growth was 15 per cent compared to the previous year. And whereas in the year 1991-92 for commercial vehicles, up to April, the rate of growth is 5.5. per cent compared to the corresponding period of the last year. I will give the exact number also.

In 1989-90, the number of commercial vehicles produced is 1,25,051. In 1991, the total number of commercial vehicle is 1,44,556. The rate of growth is 15 per cent. Then, coming to this current year, 1991-92, upto the October month, the production is 82,474. The number in the corresponding period of the previous year is 78,042. The increase is 5.5 per cent. So, in absolute terms the number of commercial vehicles has increased from 78,000 to 82,000. But when compared to the last year, the rate of growth has declined from 15 per cent to 5.5 per cent.

MR.SPEAKER: Question no. 387 is transferred to the Finance Ministry.

Land Acquired Under Urban Land Ceiling Act, 1976.

*388. SHRI P.P. KALIAPERUMAL:
KUMARI VIMLA VERMA:

Will the Minister of URBAN DEVELOPMENT be pleased to state: